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TAGS: [ECON](#) [AID](#) [BEXP](#) [ECON](#) [ELAB](#) [ETRD](#) [PM](#) [SENV](#)

SUBJECT: ACE NOMINATION - MANZANILLO INTERNATIONAL TERMINAL
PANAMA

REF: STATE 47222

¶1. (U) SUMMARY: I am pleased to nominate Manzanillo International Terminal Panama-S.A. (MIT) as Embassy Panama's multinational enterprise candidate for the Secretary of State's 2007 Award for Corporate Excellence (ACE). MIT is a joint venture between Carrix, Inc., headquartered in Seattle, Washington, and Panamanian investors. MIT is operated by SSA Marine, a Carrix wholly-owned subsidiary. MIT's nomination is based on its contribution to the overall growth and development of the local economy, responsible environmental stewardship and practices, and provision of a safe and healthy workplace. MIT has spent \$1.5 million to construct a new hospital in Colon City which has treated 37% more patients during the first quarter of 2007 versus the same period in 2006. MIT has spent \$13,372 to build three new classrooms at Colon City's Rio Gatun School which has allowed enrollment to increase by 39%. In addition, MIT maintains an excellent record in each of the remaining ACE criteria categories. END SUMMARY.

Background

¶2. (U) MIT, through U.S.-based operator and 50% owner Carrix and its wholly-owned subsidiary SSA Marine, has been operating in Colon City since 1993. Carrix is the largest privately held marine and terminal operator in the United States. MIT employs over 800 people in Colon City. Colon City suffers from high unemployment, lack of adequate medical facilities, educational opportunities and value-added employment opportunities. When MIT began operations, Colon City had an unemployment rate of 50%. Some 10,000 people applied for MIT's 600 available jobs. Most applicants were unskilled. MIT was committed to hiring local residents and providing them with the requisite training. MIT has a history of merit-based promotions whereby many people who began their careers as secretaries, janitors, and general stevedores are now vice presidents, vessel operations managers, and gate managers. MIT's merit-based promotion system offers an opportunity for Panamanians of modest means to ascend the corporate ladder.

Contribution to the Overall Growth and Development of the Local Economy

¶3. (U) During 2005-2006, MIT invested \$2 million in health, education, landmark restoration and sports programs in Colon (approximately \$10 per provincial resident). In MIT's 12 years of operation, it has invested a total of \$4 million in such programs.

¶4. (U) MIT's principal project was the construction of a new \$1.5 million hospital in Colon City. MIT led efforts to collect donations of medical equipment from local businesses and government agencies. Previously, patients had to travel to numerous facilities to receive adequate medical care. This new hospital, which provides centralized medical services, treated 37% more patients during the first quarter of 2007 versus the same period in 2006. In particular, people receiving pediatric care increased by almost 117% and nutritional care by over 72%.

¶5. (U) MIT also provides financial support to nine educational centers in Colon City. In 2005, MIT spent \$13,752 to build three new classrooms at Rio Gatun School. As a result, the school was able to increase enrollment by 39% in 2007 and provide education to a greater number of primary school children.

Responsible Environmental Stewardship and Practices

¶6. (U) MIT engages in voluntary efforts to protect the environment and lessen the environmental impacts of its operations. In 2005, MIT began a \$2.3 million project to switch eight diesel-powered gantry cranes to electrical power. The result was the elimination of over 3,000 tons of CO2 emissions and a net 23% reduction in noise pollution per crane.

Provision of a Safe and Healthy Workplace

¶7. (U) MIT has voluntarily implemented numerous safety and healthy workplace programs. MIT's Safety Department is certified ISO 9001:2000. MIT provided over 60 safety training sessions in 2006, covering 1,197 employees and contractors. MIT provided training in general safety, general safety for contractors, safety measures for heavy equipment, defensive driving, accident investigation, evacuation and emergency planning, and basic chemistry for hazardous material response personnel. MIT also provides daily safety inspections, pre-employment and random drug and alcohol testing. As a result of MIT's efforts, between 2005 and 2006, injuries declined by 39%, days lost per injury declined by 74% and accidents declined by 35%.

¶8. (U) MIT offers an employee credit union and medical clinic for more than 1,000 employees and staff. These are particularly important services since many residents have little access to medical care and no access to banking services.

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